

(For new non-provisional applications under 37 CFR § 1.53(b))

[Decorative flourish]

Debra J. Tix

☐ The inventor(s) to be deleted are set forth on a signed sheet attached hereto.

5. ☐ The entire disclosure of the prior application referred to above is considered to be part of the accompanying application and is hereby incorporated by reference herein.
6. ☐ Microfiche Computer Program (Appendix)
7. ☐ Nucleotide and/or Amino Acid Sequence Submission (if applicable, all necessary)
- ☐ Computer Readable copy
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- ☐ A preliminary amendment is enclosed.
- ☐ Cancel in this application claim(s) _____ before calculating the filing fee. At least one independent claim is retained for filing purposes.
- ☐ Amend the specification by inserting before the first line the sentence: _____.
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- ☒ A small entity statement is enclosed.
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14. ☐ Priority of foreign application number _____, filed on _____ in _____ is claimed under 35 U.S.C. §§ 119(a)-(d)
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Address all future correspondence to:

Dan R. Christen
Conley, Rose, & Tayon, P.C.
P.O. Box 398
Austin, Texas 78767
Phone: (512) 476-1400 Fax: (512) 703-1250

Signature

Name

Registration No.

Date



Dan R. Christen

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For: A SYSTEM AND METHOD FOR NEGOTIATING IMPROVED TERMS FOR PRODUCTS BEING PURCHASED THROUGH THE INTERNET

**VERIFIED STATEMENT (DECLARATION) CLAIMING SMALL ENTITY
STATUS (37 C.F.R. § 1.9(F) AND § 1.27(B)) - INDEPENDENT INVENTOR**

As a below named inventor, I hereby declare that I qualify as an independent inventor as defined in 37 C.F.R. § 1.9(c) for purposes of paying reduced fees under Section 41(a) and (b) of Title 35, United States Code, to the Patent and Trademark Office with regard to the invention entitled A SYSTEM AND METHOD FOR NEGOTIATING IMPROVED TERMS FOR PRODUCTS BEING PURCHASED THROUGH THE INTERNET, described in:

☒ the specification filed herewith
☐ application serial no.: _____, filed: _____
☐ patent no.: _____, issued: _____

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Nobuyoshi Morimoto

NAME OF INVENTOR


Signature of Inventor

June 18, 2000

Date

**PATENT
5596-00300**

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Debra J. Tix

**SYSTEM AND METHOD FOR NEGOTIATING IMPROVED TERMS FOR PRODUCTS
AND SERVICES BEING PURCHASED THROUGH THE INTERNET**

By:

Nobuyoshi Morimoto

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2
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1. Field of the Invention

5 The present invention generally relates to the Internet. More particularly, the present invention relates to a system and method for negotiating improved terms for products and services being purchased over the Internet.

2. Description of the Related Art

Internet commerce has become an increasingly popular form of commerce in the United States and throughout the world. In general, Internet-based commerce, often referred to as e-commerce, provides advantages to both suppliers and consumers. E-commerce provides vendors and service providers the ability to greatly increase their sales channel and distribution network with minimal cost. An Internet commerce site provides a convenient, effective and secure mechanism for potential buyers to browse, select and purchase goods or services in an easy and simple fashion.

The traditional purchasing process typically starts with the purchaser specifying the product specifications or requirements, including commercial terms such as price or delivery. The purchaser typically browses through a plurality of Internet commerce sites to locate the best deal, i.e., locating an Internet site, which matches the product specifications as specified by the purchaser, including the commercial terms. Very often the purchaser may not have the necessary skills to conduct an effective search for the best deal on the Internet. For example, the purchaser may only look at one or two popular Internet sites and ignore the rest.

A few Internet sites such as search engines may offer specialized shopping services. The search engine for shopping may allow the purchaser to set up a query or criteria for search. For example, a purchaser may specify a particular product brand

name, model number, price, or delivery. The purchaser may specify a price not to exceed, or a price range or starting price. On specifying the criteria, the search engine may conduct a search for Internet sites matching the purchaser criteria.

- 5 Yet another method of purchasing products through the Internet, may utilize the purchasers participation in a group of purchasers to obtain volume discounts on price for a specific product.

- 10 A common dilemma faced by many purchasers is the uncertainty of knowing whether they have secured the best deal available. A question that is common to all purchasers who may have made a purchase through the Internet is 'Am I getting the best deal?' or 'Is there any other supplier who wants to give me a better deal?' For example, a purchaser may think they have been offered the lowest price for a DVD player at a popular shopping site only to later find out that a manufacturer's outlet store was offering
15 an even lower price. Most consumers, however, do not have the time or patience to search hundreds of different stores and web sites to find the ultimate lowest price.

- For these reasons, it would be desirable to provide a system and method for negotiating better terms for products and/or services purchased through the Internet. It
20 would be desirable for the method and system to use a personal negotiating or broker-agent, which would secure the commitment of the purchaser to purchase a product, and yet at the same time be able to dynamically locate and/or negotiate a better deal on behalf of the purchaser. Advantageously, the method and system would in many instances deliver savings to the purchaser without additional effort on purchaser's part while also
25 delivering profits to the personal negotiating agent service provider.

SUMMARY OF THE INVENTION

5 The present invention provides various embodiments of a system and method for locating and/or negotiating improved terms for products and/or services purchased over the Internet. Once a purchaser has made a decision to buy a specific product or service over the Internet, the purchaser may use the services of a broker-agent program to attempt to beat the specific price within a specifiable time window. Note, while a produce purchase shall be used in many of the example embodiments herein, it is understood that the system and method disclosed herein are just as applicable to the purchase of a services as they are to the purchase of a product.

15 In one embodiment, the personal broker-agent program may detect an issuance of a commitment to purchase by a purchaser over the Internet. Various methods, such as an entry of a credit card number or clicking of a "confirm order" button, may be deployed to detect the issuance of the commitment to purchase. The personal broker-agent program may then get details of the commitment to purchase and determine if the purchase (e.g., based on the type of product service or the dollar amount of the purchase) is of business interest. If the purchase is of interest, then the personal broker-agent program may make an offer to the purchaser to accept or reject a contract to find the specified product with improved terms within a specified time window. The purchaser may accept or reject the contract, depending on the purchaser's ability to wait the time proposed by the personal broker-agent program.

25 If the purchaser accepts the contract, the personal broker-agent program may conduct an auction and/or search the Internet and other sources for a better deal. The provider of the personal broker-agent program may establish pre-negotiated agreements with preferred suppliers whereby the preferred supplier may guaranty a better price (e.g., by some fixed percentage) than the price included with the commitment to purchase. In

one embodiment, the savings may be, in part, passed on to the purchaser and, in part, retained by the provider of personal broker-agent program as profit.

5 The personal broker-agent program may evaluate the auction responses and/or search results to determine the best deal. The contract between the purchaser and the personal broker-agent program may then be executed for the best deal. If the purchaser elects not to accept the contract offer from the personal broker-agent program, then the purchaser may execute the original transaction.

10 Advantageously, the embodiments described above may potentially deliver savings to the purchaser and at the same time deliver profits to the personal broker-agent program provider. Furthermore, suppliers of Internet products may experience higher sale volumes by dealing with the broker agent program provider.

15 **BRIEF DESCRIPTION OF THE DRAWINGS**

Figure 1 is a network diagram of one embodiment of a wide area network, which is suitable for implementing various embodiments;

20 Figure 2 is an illustration of one embodiment of a typical computer system, which is suitable for implementing various embodiments;

Figure 3 illustrates an exemplary e-commerce network system for identifying distinctive computer users accessing a web site according to one embodiment;

25 Figures 4a, 4b and 4c illustrates a flow chart for one embodiment of a method for negotiating improved terms for a product being purchased over the Internet;

Figure 5 illustrates one embodiment of a database record for comparing terms of purchase orders; and

Figure 6 illustrates an exemplary block diagram of an Internet based purchasing process.

While the invention is susceptible to various modifications and alternative forms, specific embodiments thereof are shown by way of example in the drawings and will herein be described in detail. It should be understood, however, that the drawings and detailed description thereto are not intended to limit the invention to the particular form disclosed, but on the contrary, the intention is to cover all modifications, equivalents, and alternatives falling within the spirit and scope of the present invention as defined by the appended claims. Note, the headings are for organizational purposes only and are not meant to be used to limit or interpret the description or claims.

DETAILED DESCRIPTION OF SEVERAL EMBODIMENTS

Figure 1: Wide Area Network

Figure 1 illustrates a wide area network (WAN) according to one embodiment. WAN 102 is a network that spans a relatively large geographical area. The Internet is an example of WAN 102. WAN 102 typically includes a plurality of computer systems which are interconnected through one or more networks. Although one particular configuration is shown in Figure 1, WAN 102 may include a variety of heterogeneous computer systems and networks which are interconnected in a variety of ways and which run a variety of software applications.

One or more local area networks (LANs) 104 may be coupled to WAN 102. A LAN 104 is a network that spans a relatively small area. Typically, a LAN 104 is

confining to a single building or group of buildings. Each node (i.e., individual computer system or device) on a LAN 104 preferably has its own CPU with which it executes programs, and each node is also able to access data and devices anywhere on the LAN 104. The LAN 104 thus allows many users to share devices (e.g., printers) as well as data stored on file servers. The LAN 104 may be characterized by any of a variety of types of topology (i.e., the geometric arrangement of devices on the network), of protocols (i.e., the rules and encoding specifications for sending data, and whether the network uses a peer-to-peer or client/server architecture), and of media (e.g., twisted-pair wire, coaxial cables, fiber optic cables, radio waves).

Each LAN 104 includes a plurality of interconnected computer systems and optionally one or more other devices: for example, one or more workstations 110a, one or more personal computers 112a, one or more laptop or notebook computer systems 114, one or more server computer systems 116, and one or more network printers 118. As illustrated in Figure 1, an example LAN 104 may include one of each of computer systems 110a, 112a, 114, 116, and 117a/b/c and one printer 118. The LAN 104 may be coupled to other computer systems and/or other devices and/or other LANs 104 through WAN 102. Private communication networks, often referred to as an Intranet 304a, may comprise of one or more LAN's 104 and one or more WAN's 102.

One or more mainframe computer systems 120 may be coupled to WAN 102. As shown, the mainframe 120 may be coupled to a storage device or file server 124 and mainframe terminals 122a, 122b, and 122c. The mainframe terminals 122a, 122b, and 122c may access data stored in the storage device or file server 124 coupled to or included in the mainframe computer system 120.

WAN 102 may also include computer systems, which are connected to WAN 102 individually and not through a LAN 104: as illustrated, for purposes of example, a workstation 110b and a personal computer 112b. For example, WAN 102 may include

computer systems, which are geographically remote and connected to each other through the Internet or the Intranet.

Figure 2: Typical computer system

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Figure 2 illustrates a typical computer system 150, which is suitable for implementing various embodiments of a system and method for negotiating improved terms for a product being purchased over the Internet. Each computer system 150 typically includes components such as a CPU 152 with an associated memory medium
10 such as floppy disks 160, CD-ROMs, or DVDs (not shown). The memory medium may store program instructions for computer programs, wherein the program instructions are executable by the CPU 152. The computer system 150 may further include a display device such as a monitor 154, an alphanumeric input device such as a keyboard 156, communication device such as a modem 159 and a directional input device such as a
15 mouse 158.

In one embodiment, the computer system 150 may be a client computer 306, operable by a computer user, to execute the computer programs to negotiate improved terms for a product being purchased over the Internet as described herein. In another
20 embodiment, the computer system 150 may be an e-commerce server 302 operable to execute the computer programs to negotiate improved terms for a product being purchased as described herein. Other embodiments of the computer system 150 may include, but are not limited to, a proxy server 312, a local Internet server 322, a mainframe computer, a personal computer, and several others as described herein.

25

The computer system 150 preferably includes a memory medium on which computer programs according to various embodiments may be stored. The term “memory medium” is intended to include an installation medium, e.g., a CD-ROM, or floppy disks 160, a computer system memory such as DRAM, SRAM, EDO RAM, Rambus RAM, or a
30 non-volatile memory such as a magnetic media, e.g., a hard drive, or optical storage. The

memory medium may include other types of memory as well, or combinations thereof. In addition, the memory medium may be located in a first computer in which the programs are executed, or may be located in a second different computer, which connects to the first computer over a network. In the latter instance, the second computer provides the program
5 instructions to the first computer for execution. The computer system 150 may also include a time keeping device such as a real-time clock. The real-time clock of the computer system 150 may be, periodically or on demand, synchronized with a global standard time clock. Also, the computer system 150 may take various forms, including but not limited to a personal computer system, mainframe computer system, workstation, network appliance,
10 Internet appliance, personal digital assistant (PDA), Internet enabled PDA 117b or 117c, web television system, Internet enabled cellular telephone 117a or any other similar device. In general, the term "computer system" can be broadly defined to encompass any device having a processor, which executes instructions from a memory medium.

15 The memory medium preferably stores a software program or programs for negotiating improved terms for a product being purchased over the Internet as described herein. The software program(s) may be implemented in any of various ways, including procedure-based techniques, component-based techniques, and/or object-oriented techniques, among others. For example, the software program may be implemented using
20 ActiveX controls, programming languages such as C++, Java, Visual Basic, object oriented software based on COM/DCOM and/or CORBA objects, JavaBeans, Microsoft Foundation Classes (MFC), browser-based applications (e.g., Java applets), traditional programs, or other technologies or methodologies, as desired. A CPU, such as the host CPU 152, executing code and data from the memory medium includes a means for creating and
25 executing the software program or programs according to the methods and/or block diagrams described below.

Figure 3: Network System to Negotiate Improved Terms for a Product Being Purchased

Figure 3 illustrates a simplified and exemplary Internet commerce or e-commerce network system to negotiate improved terms for a product being purchased according to one embodiment.

5 As used herein, the term “Computer User” is intended to include any person who can operate a computer 150 to gain access to an Internet web site hosted by server 302. In one embodiment, the access to an Internet web site may be provided by a proxy server 312. As used herein, the term “web site” is intended to include all Internet 304 as well as Intranet 304a sites, including e-commerce sites and groups of non-commercial Web
10 pages, which can be accessed by a Uniform Resource Locator (URL).

 As shown, the system may include an Internet server (local) 322, a proxy server 312 and an e-commerce server 302. All three servers shown are various embodiments of the computer system 150. The e-commerce server 302 is preferably maintained by a
15 vendor who offers goods or services over the Internet. One example of an e-commerce vendor is Amazon.com, which sells books and other items over the Internet. In one embodiment, a web site may not directly offer goods and services for sale at the web site. For example, it may be a portal site to serve as a facilitator for buyers and sellers rather than offering goods and services directly for sale on its web site. The web site may only
20 provide information to client computer users by providing URL links to buyers and sellers. A search engine web site, as another example, may only provide links to relevant web sites or its advertisers but may not sell goods or services at its own web site.

 As shown, the e-commerce server 302 may be connected to a network 104,
25 preferably the Internet 304. The Internet 304 is currently the primary mechanism for performing electronic commerce. However, the present invention may be used with any of various types of LAN's and/or WAN's, such as the Internet 304 and/or the Intranet 304a, which connects computers and networks of computers together, thereby providing the connectivity for enabling electronic commerce.

The everyday shopping process may be applied in an e-commerce environment. The purchaser accessing an e-commerce server 302 may be analogous to a customer entering a store for shopping. The customer may initiate the electronic commerce shopping process by utilizing a virtual shopping cart, passing through various 'sections' or departments within the virtual store and adding one or more products to the virtual shopping cart. The customer may edit the contents of the shopping cart 810 by adding new items to the shopping cart, revising item quantities, or deleting items included in the shopping cart. The customer may confirm purchase by going through the check out process. The customer may end the shopping process by checking out 820, i.e., entering shipping information 820a, by making a payment for the contents of the shopping cart and accepting all the terms of the purchase 820b and clicking on a final confirmation button to send the order 820c. Clicking on a confirm order button on the screen may be described as placing a commitment to purchase (ctp) or making a purchase.

The e-commerce server 302 may be operated by an e-commerce vendor, or on behalf of the e-commerce vendor by a third party company, such as a web site hosting service provider or an application service provider.

Figure 3 illustrates an exemplary embodiment including one e-commerce server 302, one client computer system 306, one proxy server 312 connected with one or more client computers 306a via Intranet 304a, and one Internet Server (Local) 322 which may be connected to the Internet 104. However, it is noted that the present invention may be utilized with respect to any number of e-commerce servers 302, proxy servers 312, and clients 306 or 306a.

This and various other embodiments may provide a number of benefits to suppliers, purchasers, as well as web site operators offering a method for negotiating improved terms. First, the purchaser may get a better deal in terms of price and/or delivery or warranty, for products or services purchased through the Internet. The

supplier may get a firm order with a guaranteed payment. The supplier may also receive a higher volume due to a pre-negotiated arrangement with a personal broker-agent service provider. The personal broker-agent service provider may receive fees and/or commissions from the purchaser and/or the supplier

5

Figure 4a: Flow Chart for Identifying a Method for Negotiating Improved Terms for a Product Being Purchased Over the Internet According to One Embodiment

Figure 4 illustrates a flow chart for identifying a method for negotiating improved terms for a product being purchased over the Internet according to one embodiment. In step 400, the personal broker-agent program, which may be executing as a background task in a computer system may detect the purchaser issuing a commitment to purchase (ctp). In one embodiment, the personal broker-agent program may be executed as a browser plug-in. In one embodiment, the purchaser may install a personal broker-agent program to assist the purchaser in finding a better deal within a predetermined or a specified time period. In one embodiment, the specified time period may be as short as a few minutes or as long as several days, depending on the flexibility of the purchaser. In one embodiment, the specified time may default to a fixed value of say 30 minutes.

In one embodiment, the personal broker-agent program may be automatically launched when the purchaser launches a web browser program on a computer system (e.g., as a browser plug-in). In another embodiment, the personal broker-agent program may be automatically launched when the purchaser initially powers on a computer system, being used to make a product purchase over the Internet. Once initiated, the personal broker-agent program may use various methods to detect the purchaser issuing, about to issue or has already issued a commitment to purchase (ctp). For example, in one embodiment, the personal broker-agent program may look for a specific URL address, which may include words such as 'confirm and order', 'checkout and shopping-cart', 'place and order'. In another embodiment, personal broker-agent program may search for

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a specific image file i.e. a gif for an icon or a button to check out the contents of a shopping cart. In another embodiment, the personal broker-agent program may look for a purchaser entering payment information 820, for example, a credit card number, a gift certificate number or a pre-paid account card number, using a secure protocol (e.g.,
5 https://) to make a payment for a product or service purchase. In another embodiment, the purchaser may manually notify the personal broker-agent program about issuing a commitment to purchase for a product purchase. Another embodiment may combine one or more of the methods listed above.

10 In step 410, the personal broker-agent program may receive information about the terms of sale for the purchased product. The specific terms may include, in one embodiment, a product price, a delivery schedule, a warranty and a return policy. In one embodiment, the personal broker-agent program may receive and hold, i.e. intercept the
15 ctp message generated by the computer system of the purchaser before it is sent to the Internet web site server. In one embodiment, the personal broker-agent program may review the type of product being purchased over the Internet i.e., a DVD player, a book, a piece of furniture, or an insurance policy. The personal broker-agent program may elect to participate in some of the product areas, based on the business interests of the provider of the personal broker-agent program. If the product being purchased fits with the
20 business interests, then the personal broker-agent program may make an offer to the purchaser to accept or reject a contract for negotiating a better deal i.e., searching for improved terms within the specified time. If the product being purchased does not fit with the business interests, then the personal broker-agent program may release the intercepted message and allow the purchaser to proceed with the commitment to purchase
25 transaction. In one embodiment, the personal broker-agent program may elect to process all commitments to purchase placed by the supplier to protect customer loyalty.

In step 420, the purchaser is given an option to either accept or reject the contract presented by the personal broker-agent program to search for improved terms within the

specified time. In one embodiment, the personal broker program may display a pop-up window on the purchaser's screen display. The display may have an icon such as an OK or Accept button. The purchaser may click on the OK or Accept button to indicate acceptance of the contract or click on No or Decline button to reject the contract. If the purchaser accepts the proposed contract then the program control passes on to step 430. In the event the purchaser rejects the proposed contract then the program control passes on to step 450. In step 450, the purchaser may proceed with completing the ctp transaction.

In one embodiment, steps 400, 410 and 420 may be combined wherein the purchaser initiates contact with the personal-broker agent program and makes a commitment to purchase a specified product. The purchaser may provide specific terms associated with the purchase of the product such as price, delivery, warranty, or other terms. The commitment to purchase may include a confirmed payment, and the purchaser may authorize the provider of the personal-broker agent program to make the specified purchase of the product within a pre-determined time interval.

In one embodiment, purchaser approval may be assumed or obtained ahead of time. The purchaser may load the personal broker-agent program in step 480 Figure 4d. Prior to installing the personal broker-agent program, the personal broker-agent program service provider may require the purchaser to read and sign i.e., accept a license agreement and/or a master contract agreement for the use of that software in step 485. In step 490, the purchaser may elect to approve the master contract agreement or may elect to reject the agreement. If the purchaser rejects the master contract agreement then the personal broker-agent program is not installed on the purchaser's computer system. In step 495, the purchaser has accepted the terms of the master contract agreement and the personal broker-agent program is installed on the purchaser's computer system. Thus by executing steps 480, 485, 490 and 495 the purchaser may grant approval to contract ahead of time.

Steps 430, 440, 460 and 470 are executed in response to the purchaser accepting the contract for improved terms, presented by the personal broker-agent program, in one embodiment. In step 430, the personal broker-agent program receives a confirmation of acceptance of the contract for improved terms. In one embodiment, the purchaser may click on the OK or Accept button to indicate acceptance.

In step 440, the personal broker-agent program may conduct an auction to secure a better deal for the purchaser. In one embodiment, the auction may be conducted with a preferred set of suppliers for a specified product area. For example, one of the preferred suppliers may have established a pre-negotiated contract arrangement with the provider of the personal broker-agent program to beat any competitor's ctp price by at least two percent. The personal broker-agent program may receive responses to the auction request within the specified time. In another embodiment, the personal broker-agent program may conduct an Internet search for one or more suppliers who may be able to offer improved terms within the specified time. In another embodiment, the personal broker-agent program may conduct a search of a database, which may store the current prices, warranty terms and other terms of the most popular products purchased through the personal broker-agent program service provider. In response to the search, the personal broker-agent program may find one or more Internet sites offering improved terms.

In step 460, the personal broker-agent program may compare the responses to the auction from the preferred suppliers and/or the Internet search and select the best deal, within the specified time. In one embodiment, the selection of the best deal may use selection criteria shown in Figure 5 i.e., a comparison based on price, delivery, or other terms. The commitment to purchase may be considered as the benchmark purchased order 500 for comparison. Responses from preferred suppliers 510 may be compared against the benchmark. The personal broker-agent program may submit the best deal to the purchaser, within the specified time, for executing the contract. In one embodiment, if

the auction and/or the search does not materialize in a better deal and if the ctp price has increased in the meantime, then the personal broker-agent program may still honor the ctp price to maintain purchaser goodwill and loyalty.

5 In step 470, the personal broker-agent program may execute the contract agreement with the purchaser. In one embodiment, executing the contract may include notifying or sending a confirmation to the purchaser via a variety of communication methods such as e-mail, phone, fax, or mail about the purchased product.

10 In another embodiment, the above method for negotiating improved terms for a product being purchased over the Internet may also be extended to products purchased from emerging computer system embodiments such as Internet appliances, cellular telephones with a browser 117a, web television or wireless PDA's with a browser 117b or 117c.

15 Although the system and method of the present invention have been described in connection with several embodiments, the invention is not intended to be limited to the specific forms set forth herein, but on the contrary, it is intended to cover such alternatives, modifications, and equivalents as can be reasonably included within the
20 spirit and scope of the invention as defined by the appended claims.

WHAT IS CLAIMED IS:

1. A method for negotiating improved terms for a product or service being purchased over the Internet, the method comprising:
 - 5 detecting an issuance of a commitment to purchase with associated terms for said product or service being purchased by a purchaser using an Internet web site;
 - making an offer to said purchaser to accept or reject a contract for negotiating said improved terms within a specified time;
 - 10 if said purchaser accepts said offer:
 - conducting a search for said improved terms within said specified time;
 - receiving said improved terms within said specified time; and
 - executing said contract.
- 15 2. The method of claim 1, wherein said detecting comprises detecting said purchaser entering a credit card number or a pre-paid account number or a gift certificate number.
- 20 3. The method of claim 1, wherein said detecting comprises detecting said purchaser viewing a particular web page.
4. The method of claim 1, wherein said detecting comprises detecting said purchaser accessing a particular URL.
- 25 5. The method of claim 1, wherein said detecting comprises detecting said purchaser clicking an icon to confirm order.

6. The method of claim 1, wherein said making an offer to said purchaser comprises displaying said contract on a screen of a computer system used by said purchaser to purchase said product over the Internet.
7. The method of claim 1, wherein if said purchaser rejects said contract: executing
5 said commitment to purchase.
8. The method of claim 1, wherein said commitment to purchase comprises a purchase order for which payment has been guaranteed by said purchaser.
- 10 9. The method of claim 1, wherein said improved terms comprise a better price, or a better delivery, or a better warranty or a better return policy compared to the terms associated with said commitment to purchase.
10. The method of claim 1, wherein making an offer to said purchaser comprises:
15 reading information associated with commitment to purchase;
determining if commitment to purchase represents an area of interest for an improved terms service provider;
if commitment to purchase represents an area of interest for said improved terms service provider:
20 making said offer to said purchaser.
11. The method of claim 1, wherein conducting said search for said improved terms comprises conducting an auction amongst a plurality of suppliers for said product.
25
12. The method of claim 1, wherein executing said contract comprises entering a legal contract with said purchaser to supply said product under said improved terms.

13. The method of claim 1, wherein conducting said search for said improved terms comprises searching a database of preferred suppliers for said product.
14. A system for negotiating improved terms for a product or service being purchased
5 over a computer network, the system comprising:
a computer program;
a web site server computer system;
wherein said computer program is executable on a client computer system by a
purchaser to connect with the web site server and detect an issuance of a
10 commitment to purchase with associated terms for said product or service; and
wherein the web site server is operable to:
receive a notification about said issuance of said commitment to purchase;
make an offer to said purchaser to accept or reject a contract for
negotiating improved terms within a specified time; and
15 in response to said purchaser accepting said offer:
conducting a search for said improved terms within said specified time;
receiving said improved terms within said specified time;
executing said contract.
- 20 15. The system of claim 14, wherein said computer program is configured to detect the issuance of the commitment to purchase by detecting said purchaser entering a credit card number or a pre-paid account number or a gift certificate number.
- 25 16. The system of claim 14, wherein said computer program is configured to detect the issuance of the commitment to purchase by detecting said purchaser viewing a particular web page.

17. The system of claim 14, wherein said computer program is configured to detect the issuance of the commitment to purchase by detecting said purchaser accessing a particular URL.
- 5 18. The system of claim 14, wherein said computer program is configured to detect the issuance of the commitment to purchase by detecting said purchaser clicking an icon to confirm order.
- 10 19. The system of claim 14, wherein said web site server is configured to make the offer to said purchaser by displaying said contract on a screen of a computer system used by said purchaser to purchase said product over the Internet.
- 15 20. The system of claim 14, wherein if said purchaser rejects said contract; the computer program is configured to execute said commitment to purchase.
21. The system of claim 14, wherein said commitment to purchase comprises a purchase order for which payment has been guaranteed by said purchaser.
- 20 22. The system of claim 14, wherein said improved terms comprise one or more of the following: a better price, a better delivery, a better warranty, or a better return policy, as compared to the terms associated with said commitment to purchase.
- 25 23. The system of claim 14, wherein said web server is configured to make the offer to said purchaser by:
reading information associated with the commitment to purchase;
determining if the commitment to purchase represents an area of business interest for an improved terms service provider; and

if the commitment to purchase represents an area of interest for said improved terms service provider, then making said offer to said purchaser.

24. The system of claim 14, wherein conducting said search for said improved terms
5 comprises conducting an auction amongst a plurality of suppliers for said product or service.
25. The system of claim 14, wherein executing said contract comprises entering a
10 legal contract with said purchaser to supply said product under said improved terms.
26. The system of claim 14, wherein conducting said search for said improved terms
comprises searching a database of preferred suppliers for said product.
- 15 27. The system of claim 14, wherein said client computer system is one or more of the following: a personal computer, a laptop computer, a notebook computer, an Internet-enabled cellular phone, an Internet-enabled personal digital assistant, or an Internet-enabled television.
- 20 28. A carrier medium comprising program instructions, wherein the program instructions are executable by a computer system to implement the method of claim 1.
- 25 29. A method comprising:
detecting an action by a purchaser that indicates that the purchaser is about to
make an original purchase for a particular item or service over the Internet
for a particular price;
offering the purchaser an opportunity to enter into an alternative contract in which
the purchaser agrees to wait a predetermined amount of time in exchange

for a possibility of securing a better price for said particular item or service;

searching for said better price for said particular item or service;

if said better price is found before said predetermined amount of time expires,

5 purchasing the particular item or service for the purchaser at the better price and charging the purchaser a new price between said particular price and said better price; and

if said better price is not found before said predetermined amount of time expires, executing the original purchase for the particular item or service over the Internet for the particular price.

10

30. The method as recited in claim 29, wherein if said original purchase is not available after said searching is complete, purchasing said particular item for said purchaser at another price and charging the purchaser said particular price.

15

31. The method of claim 29, wherein said detecting comprises detecting said purchaser entering a credit card number or a pre-paid account number or a gift certificate number.

20

32. The method of claim 29, wherein said detecting comprises detecting said purchaser viewing a particular web page.

33. The method of claim 29, wherein said detecting comprises detecting said purchaser accessing a particular URL.

25

34. The method of claim 29, wherein said detecting comprises detecting said purchaser clicking an icon to confirm order.

35. The method of claim 29, wherein said offering said purchaser said opportunity to enter into said alternative contract comprises displaying said alternative contract on a screen of a computer system used by said purchaser to make said original purchase over the Internet.

5

36. The method of claim 29, wherein said original purchase comprises a purchase order for which payment has been guaranteed by said purchaser.

10

37. The method of claim 29, wherein offering said purchaser said opportunity to enter into said alternative contract comprises:

reading information associated with said original purchase;

determining if said original purchase represents an area of interest for an alternative contract provider;

15

if said original purchase represents an area of interest for said alternative contract provider;

making said alternative contract to said purchaser.

20

38. The method of claim 29, wherein searching for said better price comprises conducting an auction amongst a plurality of suppliers for said particular item.

39. The method of claim 29, wherein searching for said better price comprises searching a database of preferred suppliers for said particular item.

25

40. A carrier medium comprising computer program instructions configured to implement the method of claim 29.

41. A method comprising:

detecting an action by a purchaser that indicates that the purchaser is about to
make an original purchase for a particular item or service over the Internet
for a particular price;

automatically delaying said purchase for a predetermined amount of time;

5 searching for a better price for said particular item or service;

if said better price is found before said predetermined amount of time expires,

purchasing the particular item or service for the purchaser at the better
price and charging the purchaser a new price between said particular price
and said better price; and

10 if said better price is not found before said predetermined amount of time expires,
executing the original purchase for the particular item or service over the
Internet for the particular price.

42. A carrier medium comprising computer program instructions configured to
15 implement the method of claim 40.

43. The method of claim 1, wherein executing said contract comprises contacting said
purchaser with a confirmation of said product purchase.

20 44. A method comprising:
detecting an action by a purchaser that indicates that the purchaser is making an
original purchase for a particular item or service over the Internet for a
particular price;

accessing a broker-agent web site for seeking a better price for said particular
25 item or service within a predetermined amount of time;

if said better price is found before said predetermined amount of time expires,

purchasing the particular item or service for the purchaser at the better
price and charging the purchaser a new price between said particular price
and said better price; and

if said better price is not found before said predetermined amount of time expires,
executing the original purchase for the particular item over the Internet for
the particular price.

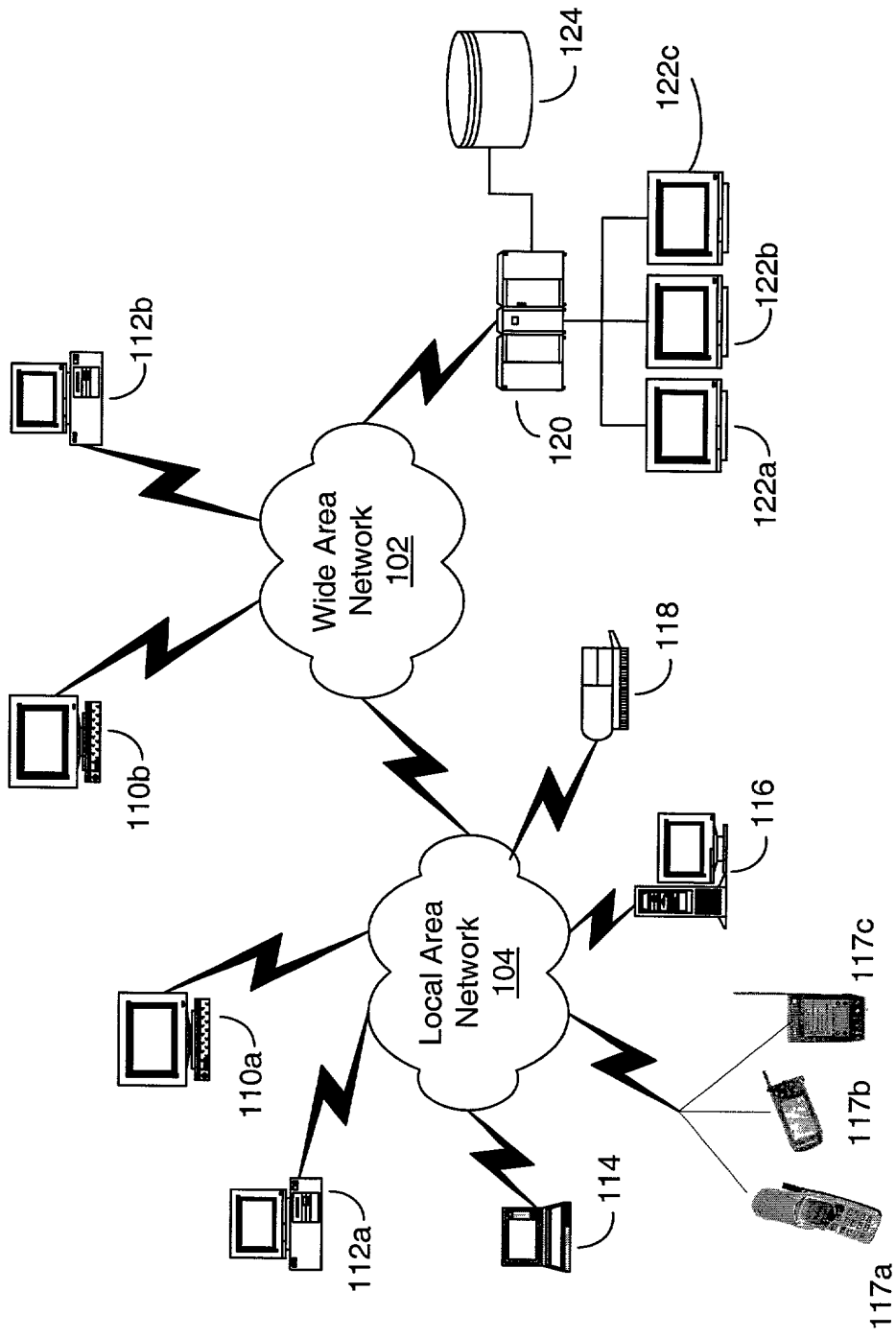


FIG. 1

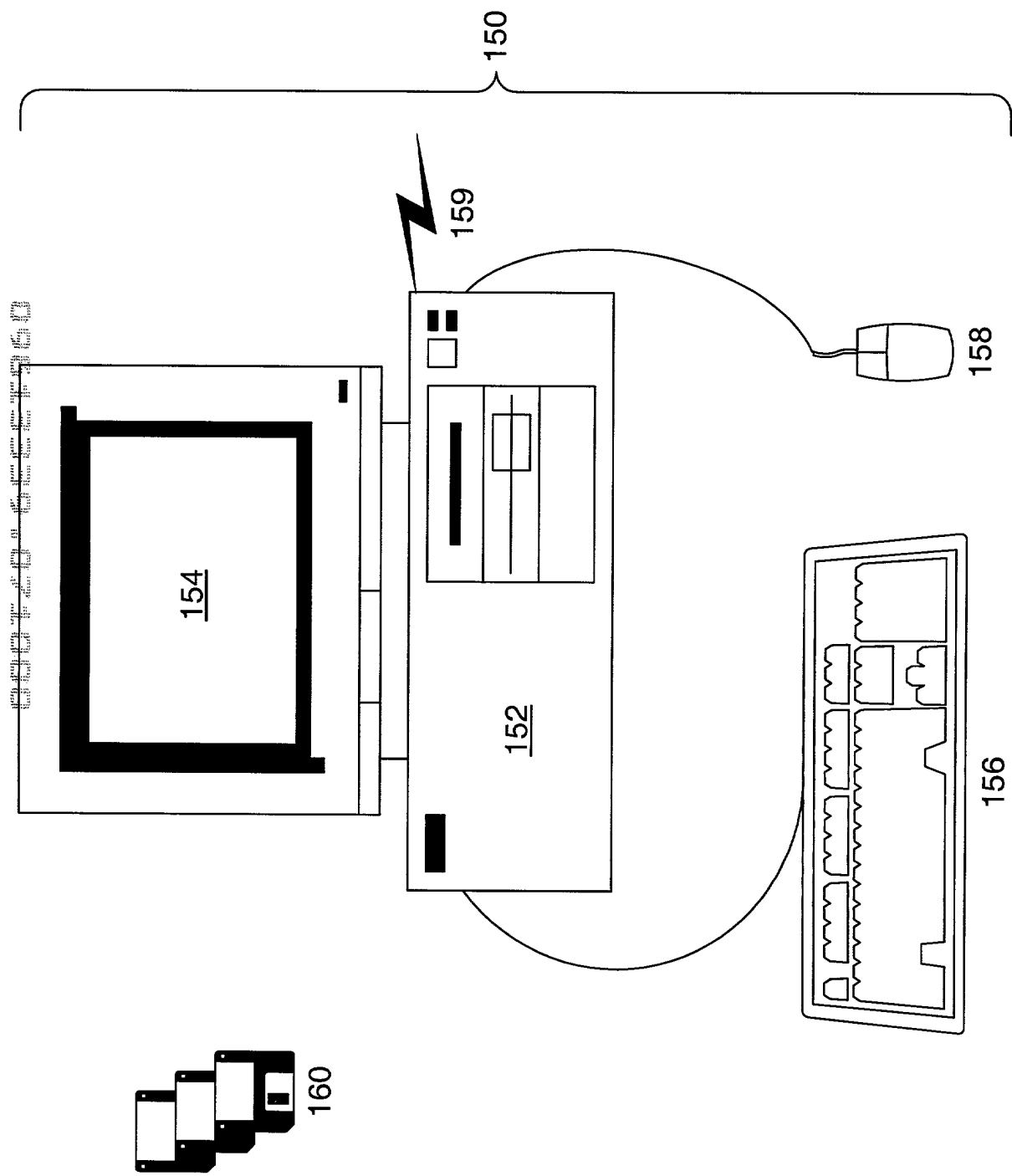


FIG. 2

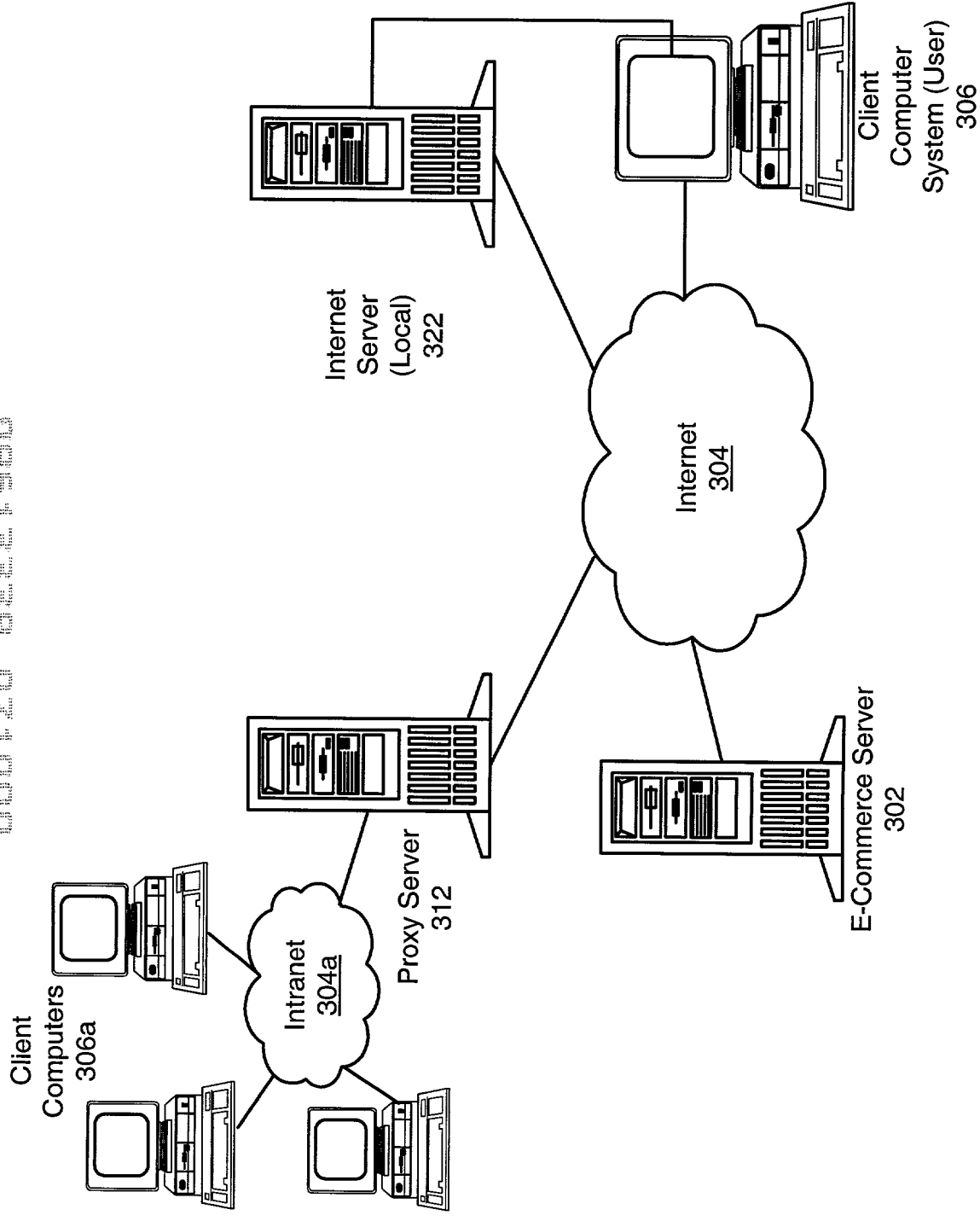


FIG. 3

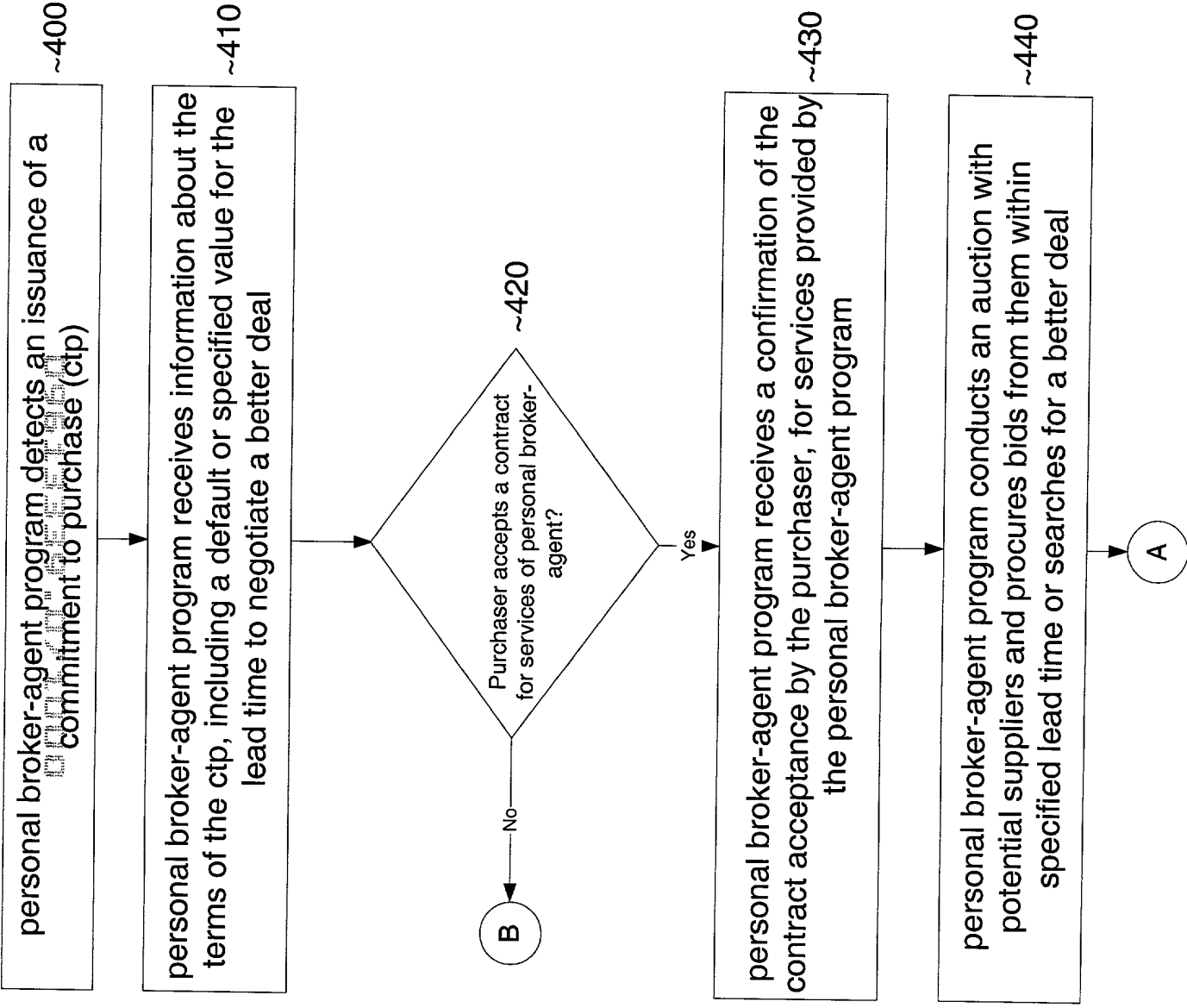


Figure 4a

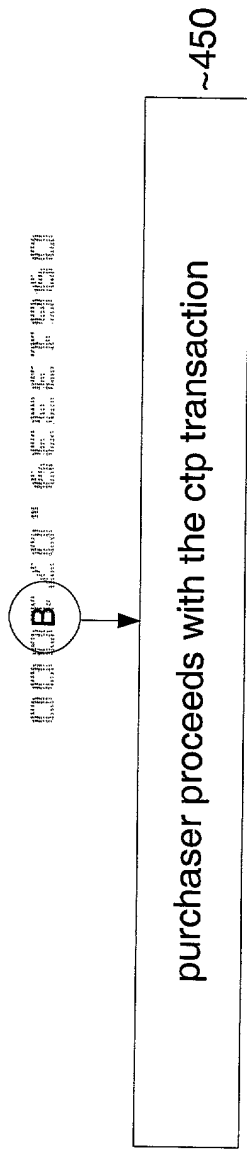


Figure 4b

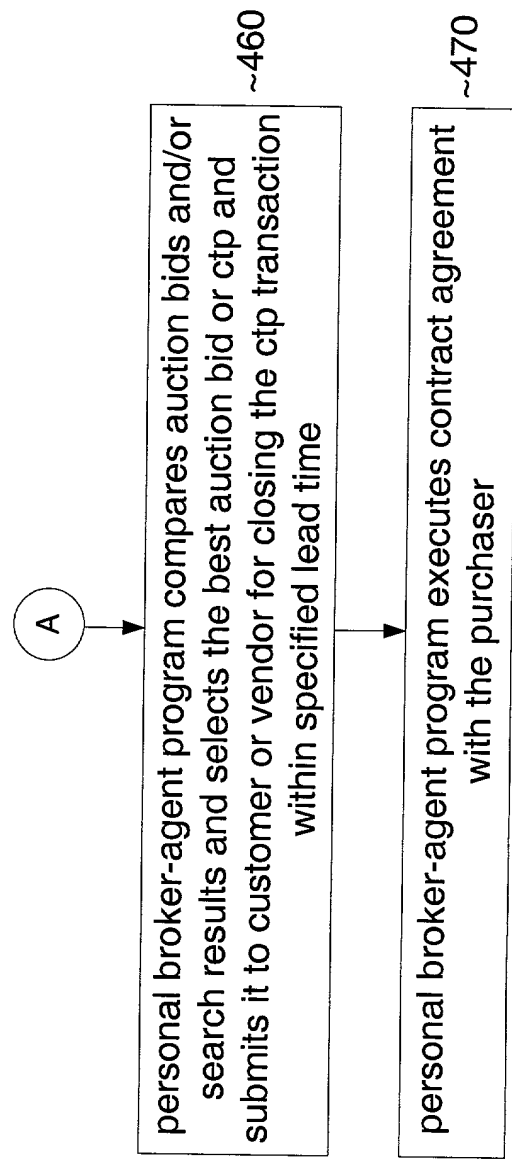


Figure 4c

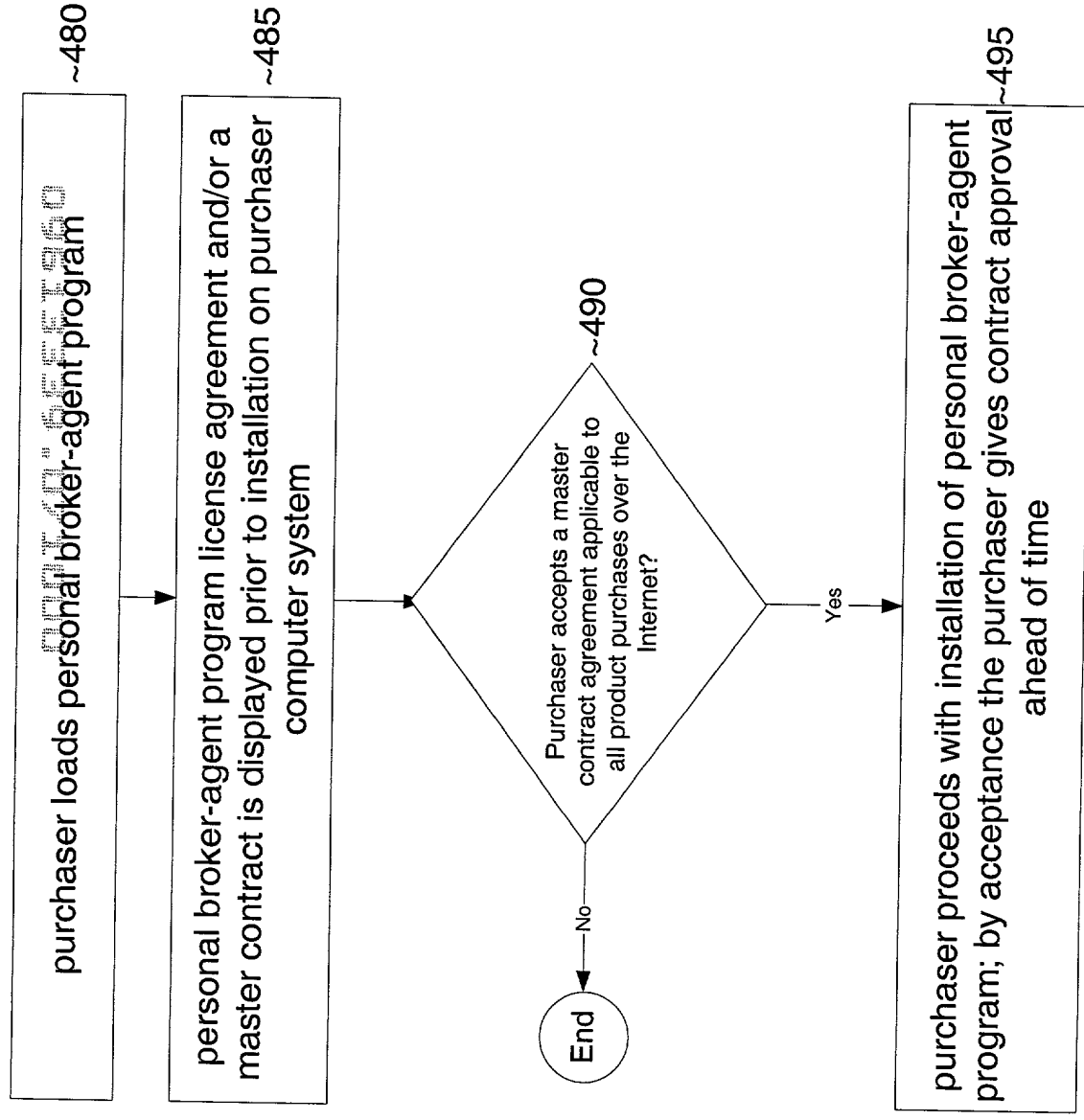


Figure 4d

500		510		
Benchmark PO	Supplier2	Supplier3	Supplier4	
Price1	Price2	Price1	Price1	
Delivery1	Delivery2	Delivery3	Delivery2	
Warranty1	Warranty1	Warranty1	Warranty2	
Return1	Return2	Return3	Return1	

Figure 5

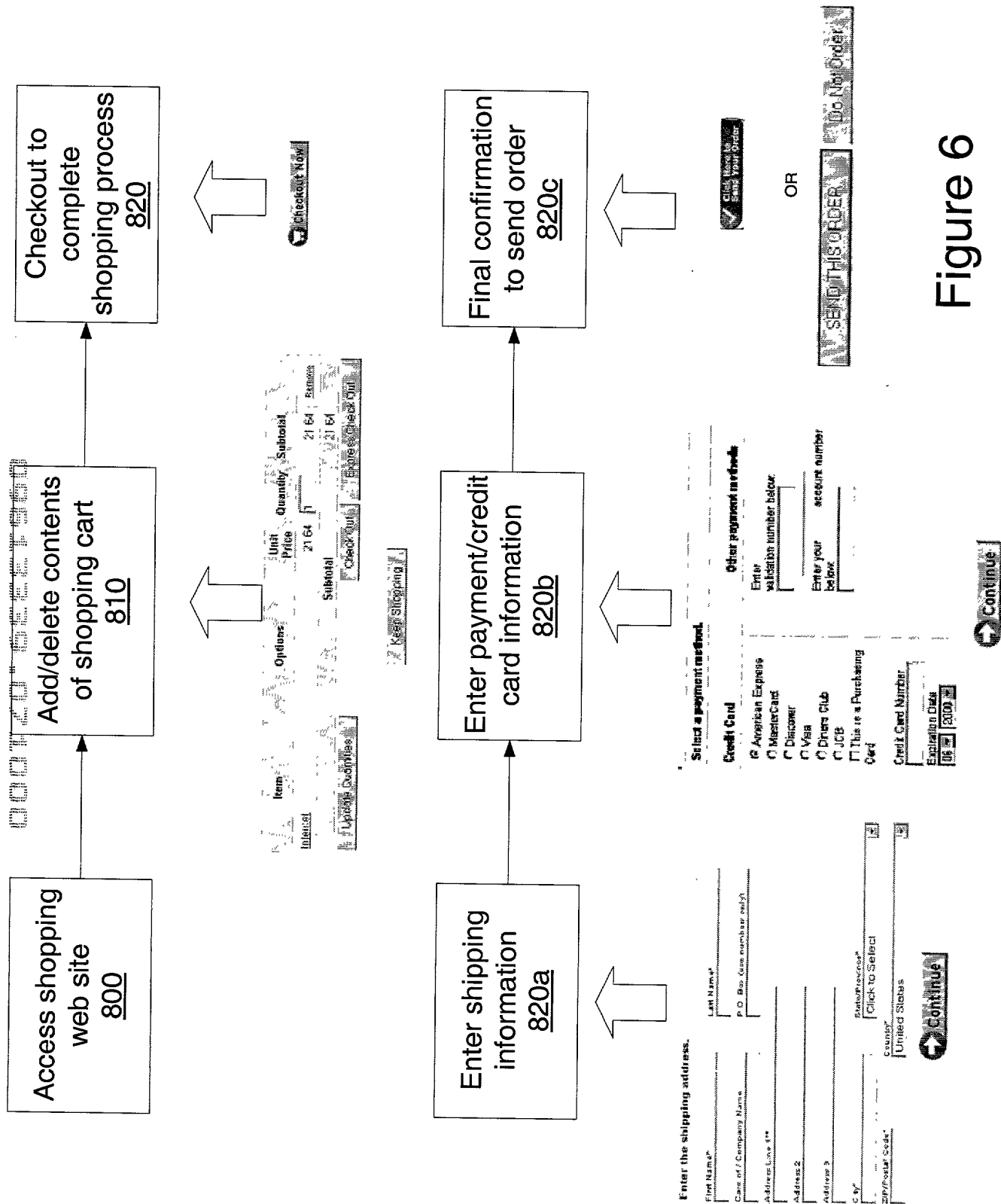


Figure 6

DECLARATION AND POWER OF ATTORNEY

As a below named inventor, I hereby declare that:

My residence, post office address, and citizenship are as stated below next to my name.

I believe I am the original, first and sole inventor (if only one name is listed below) or an original, first and joint inventor (if plural names are listed below) of the subject matter which is claimed and for which a patent is sought on the invention entitled "**A SYSTEM AND METHOD FOR NEGOTIATING IMPROVED TERMS FOR PRODUCTS BEING PURCHASED THROUGH THE INTERNET**," the specification of which:

- ☒ is attached hereto.
☐ was filed on _____ as Application Serial No. _____
 and was amended on _____ (if applicable).

I hereby state that I have reviewed and understand the contents of the above-identified specification, including the claims, as amended by any amendment referred to above.

I acknowledge the duty to disclose to the Patent and Trademark Office all information known to me to be material to patentability of the subject matter claimed in this application, as "materiality" is defined in 37 C.F.R. § 1.56.

I hereby claim foreign priority benefits under 35 U.S.C. § 119(a)-(d) or § 365(b) of any foreign application(s) for patent or inventor's certificate listed below, or under § 365(a) of any PCT international application listed below designating least one country other than the United States of America, and have identified below any foreign application for patent or inventor's certificate, or of any PCT international application, having a filing date before that of the application on which priority is claimed.

<u>Prior Foreign Application No.</u>	<u>Country</u>	<u>Filing Date</u> <u>(mm/dd/yy)</u>	<u>Priority</u> <u>Claimed</u>	<u>Cert. copy</u> <u>Attached</u>
N/A				

I hereby claim the benefit under 35 U.S.C. § 119(e) of any United States provisional application(s) listed below.

<u>Provisional Application No.</u>	<u>Filing Date</u> <u>(mm/dd/yy)</u>
N/A	

I hereby claim the benefit under 35 U.S.C. § 120 of any United States application(s) listed below, or under § 365(c) of any PCT international application listed below designating the United States of America, and, insofar as the subject matter of each of the claims of this application is not disclosed in the prior United States or PCT international application in the manner provided by the first paragraph of 35 U.S.C. § 112, I acknowledge the duty to disclose all information known to me to be material to the patentability of the subject matter claimed in this application, as "materiality" is defined in 37 C.F.R. § 1.56, which became available between the filing date of the prior application and the national or PCT international filing date of this application.

<u>Parent Application No.</u>	<u>Filing Date</u> <u>(mm/dd/yy)</u>	<u>Parent Patent No. (if applicable) or Status</u>
N/A		

The Assignee revokes any previous Powers of Attorney and appoint each of

Dan R. Christen	Reg. No. 39,943
Gentry E. Crook	Reg. No. 44,633
Kevin L. Daffer	Reg. No. 34,146
Mark R. DeLuca	Reg. No. 44,649
Jeffrey C. Hood	Reg. No. 35,198
Robert C. Jahnke	Reg. No. 44,800
B. Noël Kivlin	Reg. No. 33,929
Robert C. Kowert	Reg. No. 39,255
Lawrence J. Merkel	Reg. No. 41,191
Eric B. Meyertons	Reg. No. 34,876
Louise K. Miller	Reg. No. 36,609
David W. Quimby	Reg. No. 39,338
Larry D. Thompson	Reg. No. 43,952
David A. Rose	Reg. No. 26,223

each of said attorneys or agents being members or associates of the firm of Conley, Rose & Tayon, P.C., as attorney or agent for so long as they remain with such company or firm, with full power of substitution and revocation, to prosecute the application, to make alterations and amendments therein, to transact all business in the Patent and Trademark Office in connection therewith, and to receive the Letters Patent.

Please direct all communications to:

Dan R. Christen
Conley, Rose & Tayon, P.C.
P.O. Box 3267
Houston, Texas 77253-3267
Phone: (512) 476-1400

I hereby declare that all statements made herein of my own knowledge are true and that all statements made herein on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under 18 U.S.C. § 1001 and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

Inventor's Full Name:



Nobuyoshi Morimoto

Inventor's Signature:



Date:

June 18, 2000

City and State (or Foreign Country) of Residence:

Tokyo

Citizenship:

Japan

Post Office and Residence Address:

29-10-106, Sakuragaoka-cho, Shibuya-ku,
(Include number, street name, city, state and zip code)

Tokyo, Japan